

NEWS RELEASE

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**INDIANA
WORKFORCE
DEVELOPMENT**



Mitchell E. Daniels, Jr., Governor
Ronald L. Stiver, Commissioner

State Unemployment Rate Report:

December Revised and January Preliminary State Unemployment Figures Released

Indianapolis, Ind.—Today the Indiana Department of Workforce Development released preliminary January and revised December 2004 state unemployment figures.

Addressing the newly released unemployment statistics, Indiana Workforce Development Commissioner Ron Stiver stated, “These numbers indicate Indiana’s economy is moving slower than the nation, and provide further evidence to support Governor Daniels’ belief that Indiana needs to act both quickly and boldly to grow employment and personal income for Hoosiers.”

Seasonally Adjusted:

Indiana’s preliminary seasonally adjusted unemployment rate for January was 5.4 percent, up from 5.2 percent in December 2004 (revised) and up from 5.3 percent in January 2004.

The U.S. rate for January was 5.2 percent. Of Indiana’s Midwest neighbors for January, Kentucky reported an unemployment rate of 4.9 percent while Illinois reported 5.6 percent unemployment. Ohio’s unemployment rate was 5.9 percent and Michigan reported an unemployment rate of 7.1 percent.

For the month, the state’s estimated seasonally adjusted labor force total was 3,184,600. The number of Hoosier workers in the labor force for January was 3,011,400, up from January’s 2004 number of 3,003,500, while the number unemployed was 173,200. December revised data marked Indiana’s labor force number at 3,171,100, with 3,007,600 being employed and 163,500 unemployed.

Non-seasonally Adjusted:

Using the same data, and reporting non-seasonally adjusted employment trends, Indiana’s January preliminary non-seasonally adjusted unemployment rate was 6.1 percent, up from December (revised) unemployment rate of 5.0 percent. Also, the January 2005 unemployment rate for non-seasonally adjusted employment trends is slightly higher than January 2004’s rate of 5.8 percent.

Of Indiana’s neighboring states reporting non-seasonally adjusted unemployment rates, Kentucky’s rate was 5.6 percent while Illinois’s rate was also 6.1 percent. Ohio reported an unemployment rate of 6.8 percent and Michigan reported their rate as 7.9 percent. The U.S. non-seasonally adjusted unemployment rate was 5.7 for the month.

Indiana’s non-seasonally adjusted labor force for January reached 3,147,400, down from December’s labor force number of 3,156,600. Of January’s total, Indiana reported 2,956,600 Hoosiers employed and 190,800 unemployed.

January 2005 Unemployment Rate/ add 1

The Indiana Department of Workforce Development is charged with continually improving the Hoosier workforce by assisting companies to create new jobs and improve employee skills. The agency offers a variety of training and educational grants, partners with Indiana's 27 WorkOne Centers, administers the unemployment insurance system, provides labor market information, assists employers with preparing workers for layoffs and closures, and operates a statewide job placement service.

For more information on Indiana's unemployment rate, contact DWD at 1-888-WorkOne, or visit the web site at www.workforce.IN.gov.

Technical Notes:

- In calculating unemployment rates, two different types of numbers are provided. The first, known as the *non-seasonally adjusted rate*, estimates employment and unemployment without taking into account the effects of seasonal trends. In calculating the *seasonally adjusted rate*, or employment that follows more or less a regular pattern each year, holiday, summer and other types of seasonal employment is factored out of the estimate. These adjustments make it easier to observe the cyclical and other non-seasonal movements.
- Compiled in conjunction with the U.S. Bureau of Labor Statistics, the State's unemployment rate is derived from a national survey of about 60,000 households. Of that number approximately 1,300 Indiana households are polled each month.
- The Household survey that calculates the unemployment rate is conducted by the U.S. Bureau of Labor Statistics and is conducted during the week of the 12th of the month.
- Labor force is calculated as the number of people 16 years of age and older who were able and available to work.
- For most accurate analysis, please use revised data sets and not preliminary estimates.
- Unemployment rates for individual counties, cities and metropolitan statistical areas will be available on March.

INDIANA VS. U.S. UNEMPLOYMENT RATES January 2005

<u>Not Seasonally adjusted</u>	<u>Jan 2005</u>	<u>Dec. 2004</u>	<u>Jan. 2004</u>
Indiana			
Labor Force	3,147,400	3,156,600	3,140,000
Employed	2,956,600	2,999,600	2,957,200
Unemployed	190,800	157,000	182,800
Rate	6.1	5.0	5.8
U.S.			
Rate	5.7	5.1	6.3
Indiana 2004 Annual Average	3,170,400	3,005,200	165,200
Rate	5.2		
U.S. 2004 Annual Average			
Rate	5.5		

<u>Seasonally Adjusted</u>	<u>Jan 2005</u>	<u>Dec 2004</u>	<u>Nov 2004</u>	<u>Jan 2004</u>
Indiana				
Labor Force	3,184,600	3,171,100	3,170,800	3,171,700
Employed	3,011,400	3,007,600	3,008,100	3,003,500
Unemployed	173,200	163,500	162,700	168,200
Rate	5.4	5.2	5.1	5.3
U.S.				
Rate	5.2	5.4	5.4	5.7

